



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

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801-538-5340

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801-538-7223 (TDD)

April 10, 2001

CERTIFIED RETURN RECEIPT
7000 0520 0021 7582 8920

William R. Wilson
Basin Perlite Company
1776 Lincoln Street, Suite 900
Denver, Colorado 80203

Re: Formal Approval of Form and Amount of Replacement Reclamation Surety, Basin Perlite Company,
Pearl Queen Perlite Mine, M/001/027, Beaver County, Utah

Dear Mr. Wilson:

On March 21, 2001, we received a replacement surety bond # [REDACTED] issued by American Manufacturers Mutual Insurance Company in the amount of \$40,800. On March 28, 2001 we received the replacement Reclamation Contract that this surety bond is tied to. These documents were meant to replace the existing \$40,800 surety bond # [REDACTED] issued by AmWest Surety Insurance Company. On April 3, 2001, the Director of the Division of Oil, Gas and Mining formally approved and executed the replacement documents.

Enclosed, please find copies of the fully signed and executed Reclamation Contract and surety bond forms for your files. We have enclosed the original AmWest Surety Insurance Company bond and the original Reclamation Contract dated March 9, 2000, for your disposal.

We have published tentative approval in the local area newspapers for the Pearl Queen Perlite permit revision. The public comment period will end on April 30, 2001. The \$40,800 surety amount will need to be revised before final approval of the permit revision is granted. We would also prefer to adjust this surety bond to cover the reclamation costs for the Milford Millsite once the new permit amendment is finalized. Please call me at (801) 538-5286 if you have any questions in this regard.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosure: #1 - American Manuf. Surety Bond # [REDACTED] & RC
#2 - AmWest Surety Bond # [REDACTED] & RC

cc: Jay Gatten, North American Exploration
Will Stokes, SITLA w/Encl #1
Mary Ann Wright, DOGM

M01-27-surety-ltr.doc

0017

DOGM

RECEIPT

DATE <u>4-19-2001</u>		No. <u>057202</u>	
RECEIVED FROM <u>No Pearl Queen LLC</u>		<u>\$ 16.25</u>	
<u>SIXTY TWO & 25/100</u>		<u>16.25</u> DOLLARS	
FOR RENT <u>COPIES / 11/11/01</u> MAP			
ACCOUNT	<u>16.25</u>	<input type="radio"/> CASH	
PAYMENT	<u>16.25</u>	<input checked="" type="radio"/> CHECK	
BAL. DUE	<u>0</u>	<input type="radio"/> MONEY ORDER	
FROM <u>ATC #1348</u>		TO <u></u>	
BY <u>Clayton Wilson</u>			